

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
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Legislation Title:

AN ORDINANCE relating to the City Light Department; directing the transfer of certain funds in the Light Fund into the Rate Stabilization Account in 2012.

Summary of the Legislation:

This legislation directs the transfer of excess 2012 Light Fund (fund) balance, up to a maximum of \$?? million, into the Rate Stabilization Account (RSA).

Background:

The Council created the RSA through Ordinance 121637 and subsequently established the parameters for its funding and operation through Ordinance 123260. The parameters provide that City Light must withdraw any shortfall in net wholesale revenue relative to the amount assumed in the relevant budget, or deposit any overage, all done on a quarterly basis. The parameters also provide for automatic surcharges in the event the Account balance falls below certain thresholds.

The target for net wholesale revenue for 2013, established through Ordinance 123989, is \$90 million. City Light expects to generate approximately \$53 million. The shortfall, should it occur, would result in large and persistent surcharges in 2013.

The legislation directs City Light to transfer excess Light Fund balances in 2012 into the RSA. The use of excess fund balances in this way will, by increasing the Account balance, reduces both the likelihood and size of surcharges in 2013 in the face of this anticipated shortfall. It should be noted that sequestering the funds in the RSA means that they will not be available to fund City Light's capital program in 2013 and it will therefore need to borrow more to support it.

Please check one of the following:

 X This legislation does not have any financial implications.

(Please skip to "Other Implications" section at the end of the document and answer questions a-h. Earlier sections that are left blank should be deleted. Please delete the instructions provided in parentheses at the end of each question.)

 This legislation has financial implications.

(If the legislation has direct fiscal impacts (e.g., appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" Section. Please delete the instructions provided in parentheses at the end of each title and question.)

Appropriations:

(This table should reflect appropriations that are a direct result of this legislation. In the event that the project/programs associated with this ordinance had, or will have, appropriations in other legislation please provide details in the Appropriation Notes section below. If the appropriation is not supported by revenue/reimbursements, please confirm that there is available fund balance to cover this appropriation in the note section.)

Fund Name and Number	Department	Budget Control Level*	2011 Appropriation	2012 Anticipated Appropriation
TOTAL				

**See budget book to obtain the appropriate Budget Control Level for your department.*

Appropriations Notes:

Anticipated Revenue/Reimbursement Resulting from this Legislation:

(This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.)

Fund Name and Number	Department	Revenue Source	2011 Revenue	2012 Revenue
TOTAL				

Revenue/Reimbursement Notes:

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

(This table should only reflect the actual number of positions affected by this legislation. In the event that positions have been, or will be, created as a result of other legislation, please provide details in the Notes section below the table.)

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2011 Positions	2011 FTE	2012 Positions*	2012 FTE*
TOTAL							

** 2012 positions and FTE are total 2012 position changes resulting from this legislation, not incremental changes. Therefore, under 2012, please be sure to include any continuing positions from 2011.*

Position Notes:

Do positions sunset in the future?

(If yes, identify sunset date)

Spending/Cash Flow:

(This table should be completed only in those cases where part or all of the funds authorized by this legislation will be spent in a different year than when they were appropriated (e.g., as in the case of certain grants and capital projects). Details surrounding spending that will occur in future years should be provided in the Notes section below the table.)

Fund Name & #	Department	Budget Control Level*	2011 Expenditures	2012 Anticipated Expenditures
TOTAL				

* See budget book to obtain the appropriate Budget Control Level for your department.

Spending/Cash Flow Notes:

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?**
 No.

b) **What is the financial cost of not implementing the legislation?**
 No.

c) **Does this legislation affect any departments besides the originating department?**
 No.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** None.

e) **Is a public hearing required for this legislation?**
 No.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
 No.

g) **Does this legislation affect a piece of property?**
 No.

h) **Other Issues:**

List attachments to the fiscal note below: